

1 April 6 drop-dead date with Turner Road that finally
2 had to get set, this very, very large carrier was
3 the last one to move all their stuff on that date.

4 MS. DAILEY: Let me move to Cavalier.
5 Cavalier, you talked about the necessity, I believe
6 it's in Mr. Cole's direct testimony on page 2, you
7 talk about the need for duplicate facilities. Are
8 duplicate facilities taken off line at some point
9 or --

10 MR. COLE: Disconnected? Disconnected at
11 some point?

12 MS. DAILEY: Yes.

13 MR. COLE: Yes.

14 MS. DAILEY: Remember, the court reporter
15 can't tell that you're nodding.

16 If a Verizon tandem is rehomed, what
17 period of time are duplicate facilities necessary, I
18 guess, optimally?

19 MR. COLE: As short a period as possible.

20 MS. DAILEY: And what's realistic in
21 Cavalier's view?

22 MR. COLE: In the Turner Road, the letter

1 went out for April 6. We were still receiving AT&T
2 traffic in July, four months later. I don't think
3 that's -- you know, that that's optimal. But --
4 and --

5 MS. DAILEY: I mean, in Cavalier's view,
6 what's a realistic period of time that it would have
7 to have duplicate facilities in place?

8 MR. COLE: I would think three months at
9 most.

10 MR. LERNER: If under the new contract, if
11 a new tandem is established or an existing tandem is
12 rehomed but you can continue to send traffic to the
13 tandem that you were sending it to before and have
14 Verizon transport it on their side of the network,
15 does the duplicate facilities -- are they still
16 necessary at all in that instance?

17 MR. COLE: You would -- since you're
18 addressing a trunk group that's attached to a
19 separate tandem, even though you're going to a POI,
20 referring back to the physical facilities, you're
21 still going to have to add facilities, you're going
22 to have to add trunking to that end office. So yes,

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1 you have to add facilities.

2 Now --

3 MR. LERNER: I'm not sure I follow you.

4 You've got -- you have a point of interconnection
5 through tandem A, and that's the only tandem in the
6 LATA, hypothetically.

7 MR. COLE: Right.

8 MR. LERNER: Now they have decided to add
9 tandem B at Gray Road. You can still, under the new
10 agreement, you might still be able to just send your
11 traffic to tandem A and then they route it to tandem
12 B to reach the appropriate end office. What
13 duplicate facility will you need, if any, in that
14 scenario?

15 MR. COLE: If the scenario includes
16 intermachine trunks between their switching and
17 their doing intertandem trafficking, then you are
18 correct, we wouldn't. If we are going to a point of
19 interconnect and there are physical facilities for
20 them to both tandems and --

21 MR. LERNER: So in other words, if you
22 were to decide to go directly to tandem B, then you

1 would have some duplicate facilities possibility.

2 MR. COLE: Sure.

3 MR. LERNER: But you might not -- that may
4 not be a necessity if they would carry the
5 traffic --

6 MR. COLE: Intermachine, right.

7 MS. DAILEY: Who does Cavalier get the
8 duplicate facilities from? Is it its own
9 facilities? Is it leasing it from Verizon or is
10 it -- from Verizon?

11 MR. COLE: Lease from Verizon.

12 MS. DAILEY: Is that exclusively true?

13 MR. COLE: In the two cases that I'm aware
14 of, that's exclusively true.

15 MS. DAILEY: Verizon, what do you think is
16 a reasonable period for cutover from -- for Cavalier
17 to have to lease duplicate facilities from tandem A
18 to tandem B?

19 MR. ALBERT: Going forward, they don't
20 have to. Again --

21 MS. DAILEY: So no period is reasonable.

22 MR. ALBERT: Well, they don't have to

1 lease duplicate facilities going forward, is what
2 we've been saying. We're talking about cases that
3 occurred under past contract that had a whole
4 different structure for which carrier paid for
5 transport.

6 The thing that's difficult with this topic
7 of the tandems is the work that's done is a real
8 blur of work that's being done for access services,
9 as well as for local services. And I guess that's
10 where I don't quite understand how much in a local
11 interconnection agreement we've got to have these
12 things that deal with access services.

13 But when the Turner Road tandem went in,
14 that was purely an access tandem. All of the trunk
15 groups that went to the new Turner Road 76T, that
16 was an access tandem, there was no local traffic, it
17 was all interexchange carriers involved with the new
18 Turner Road switch.

19 What remained at that point in time on the
20 old Turner Road tandem was the local traffic. But
21 when we're talking -- so when we're talking about,
22 you know, there continued to be traffic coming from

1 the Turner Road tandem, there was, but that was
2 local traffic that never moved.

3 MR. LERNER: I mean, I've got a question.
4 If Cavalier has traffic that they're sending you and
5 some of it is local traffic from their customers
6 here and other traffic is from other parts of
7 Virginia, from their customers on their network
8 there that they bring in to this area and then want
9 to send to you, do they have to segregate what is
10 access and what is local and send the local to D.C.
11 and the access to Turner Road?

12 MR. ALBERT: The --

13 MR. LERNER: Or Gray Road, excuse me.

14 MR. ALBERT: The trunk group arrangements
15 we've got with all other carriers, there will be
16 separate trunk group, and correct me, Pete, if I get
17 this wrong, but a separate trunk group for the IXC
18 traffic for when a CLEC would want to interconnect
19 with all the other IXCs, they have one trunk group
20 that carries that, an access toll connecting trunk.

21 Then there's a different trunk group that
22 carries the local and the intraLATA toll. What

1 traverses over that would be local calls to like
2 independents, local calls to other CLECs. So there
3 is that configuration and split of the types of
4 trunk groups that we use in our interconnection
5 arrangements.

6 MR. D'AMICO: And the access tariffs,
7 either interstate or intrastate, would govern either
8 the inter/intraLATA access traffic and the local
9 traffic would be governed by the reciprocal
10 compensation rate.

11 MR. LERNER: Right. I understand which
12 rate would apply. But let's say they have a
13 customer in Richmond who makes a call to Arlington
14 that's an interLATA call, so it's access. I don't
15 know how Cavalier has their network set up, so this
16 may be totally hypothetical.

17 But let's say they can route that traffic
18 without using any other IXC, they can just connect
19 it from Richmond to their own network in the
20 Washington metropolitan area. They have to send
21 that access call to somewhere else than they're
22 sending the local call?

1 MR. ALBERT: If Cavalier on their network
2 is carrying a long-distance call from Richmond up to
3 Arlington, they would not route that call to us at
4 all down in Richmond. That would be originating on
5 their network. When they had that long-distance
6 call to deliver to us, they would deliver it on an
7 IXC trunk group that was coming into Arlington. And
8 then we would terminate it to whoever the end user
9 is.

10 The end user of that call went to -- it
11 might be to another CLEC that was hooked up to our
12 tandem, it might be to a Verizon end user, it might
13 be to a wireless customer.

14 I mean, I guess the biggest dilemma that
15 we have with what Cavalier has proposed is it would
16 require us, Verizon, to pay the costs associated
17 with the new tandem going in not only for CLECs but
18 also for IXCs and also for wireless customers. And
19 we just -- we've never done that. I mean,
20 everybody --

21 MS. DAILEY: Well, I mean, this is a
22 contract between Verizon and Cavalier. You're

1 arguing that this would set an unfortunate
2 precedent; correct?

3 MR. ALBERT: For wireless and IXC's, plus
4 it could be MFNs in Virginia, I'm assuming, by other
5 CLECs.

6 MS. DAILEY: Understood.

7 MR. CLIFT: I would like to clarify. Our
8 contract proposal really leaves the IXC world alone,
9 it doesn't touch it. So I would disagree with
10 Mr. Albert's characterization of that. It's only
11 for the delivery of Cavalier's local exchange
12 traffic pursuant to an interconnection arrangement.

13 In the access arena, interexchange
14 carriers would still purchase access today at tandem
15 A and purchase access again at tandem B. We're
16 talking about the delivery of our own local exchange
17 traffic from tandem A to tandem B.

18 So I think for ease of discussion, the IXC
19 side of the world is unaffected.

20 MS. DAILEY: So the IXC side of the world,
21 which I believe Verizon is trying to distinguish,
22 does not concern Cavalier; is that correct?

1 MR. CLIFT: That's correct.

2 MS. DAILEY: If you can give me the
3 kindergarten version, explain to me, Cavalier, why
4 you would not keep these duplicate facilities in
5 place after the tandem is rehomed. Let me explain
6 my -- let me -- that's the question. Let me explain
7 my understanding.

8 If a tandem is rehomed, some of the
9 traffic still has to go to the old tandem; correct?

10 MR. COLE: No.

11 MS. DAILEY: No, okay. Can you explain --
12 can you explain to me where I'm confused?

13 MR. COLE: Based on the LERG, local
14 exchange routing guide, that the traffic would be
15 homed to a given -- let's say in the case of Turner
16 in Richmond, they actually put an access -- we would
17 take the access traffic and route it to that tandem.
18 The reason we would keep the duplicate facilities
19 was during the period of transition, not all the
20 traffic would be moved, so you have periods where
21 you still need to get to the access portion of the
22 original tandem, until the split and all traffic was

1 moved.

2 Once that traffic is moved to that new
3 tandem, then you don't need those duplicate
4 facilities. Now, granted you're going to have
5 traffic, in this case local traffic, that's going to
6 continue in interLATA toll that's going to continue
7 to that original tandem in Richmond's case, and you
8 keep those facilities, but you won't need as many,
9 and you won't -- they won't be characterized the
10 same.

11 MS. DAILEY: The language that Cavalier
12 has proposed does not just, as Mr. Albert points
13 out, cover tandem rehomings; it covers network
14 rearrangements. Can you tell me what Cavalier means
15 by "network rearrangements," other than tandem
16 rehomings?

17 MR. COLE: Specifically, when we're
18 involved in moving traffic and there's a cost to do
19 that and we make changes and add facilities to do
20 that, whether it's capacity or otherwise, if there's
21 a delay in that occurring, then there's a cost and
22 there may be, and this happens occasionally, we may

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1 have a situation where we have to have engineers go
2 in and make changes and then redo those changes,
3 based on the delay. I think that's what we're
4 talking about.

5 MR. CLIFT: But typical network
6 maintenance of additional capacities and additional
7 trunking is not -- with traffic being handed off
8 pretty much the same but all we're doing is adding
9 capacities to that would be unaffected, what we're
10 talking about specifically in our contract proposed
11 is where there is a physical change, where traffic
12 has to be rearranged and moved, and the tandem
13 example was probably the most prevalent example. As
14 Mr. Albert told us about the expectations for the
15 future. But that's really the predominant case that
16 this would apply to.

17 MS. DAILEY: Is Cavalier familiar with the
18 FCC's network change notification rules?

19 MR. CLIFT: Yes.

20 MS. DAILEY: Does Cavalier contend that
21 Verizon hasn't been complying with these rules in
22 connection with tandem rehomings?

1 MR. CLIFT: We aren't making that
2 contention.

3 MR. LERNER: You are not?

4 MR. CLIFT: No.

5 MS. DAILEY: Does Cavalier incur more
6 expenses associated with tandem rehoming than any
7 other typical CLEC would? Is Cavalier uniquely
8 situated in any way?

9 MR. CLIFT: I would say -- I don't know if
10 he wants to answer that or not. The same principle
11 would apply to other CLECs as well. I mean,
12 certainly Cavalier has a different architecture and
13 a different way it interconnects with Verizon
14 vis-a-vis what other CLECs may or may not do. But
15 as Mr. Albert recognized, Comcast had a particular
16 issue with a tandem rehoming in Northern Virginia.
17 I mean, so other CLECs are affected in different
18 types of degrees.

19 MR. COLE: If I may, a facilities-based
20 carrier, CLEC, may have a -- there's cost elements
21 involved there that -- I'm not a financial guy, but
22 there's cost elements involved in having that

1 physical network that are a value of network
2 relationship that a nonfacilities-based CLEC would
3 not have. I don't think --

4 MR. CLIFT: What Mr. Cole is saying, if a
5 nonfacilities-based CLEC purchased transport to
6 tandem A, then that carrier would purchase transport
7 to tandem B. So perhaps if the aggregate number of
8 trunks they were purchasing was the same, there's no
9 incremental cost. There may be a period of time
10 that there's duplicate transport costs, but there's
11 no incremental cost of -- depending, again, there's
12 mileage and some other things in the formula.

13 But for all intents and purposes, if
14 they're purchasing 100 trunks to tandem A and 100
15 trunks to tandem B, then their costs are going to be
16 pretty much the same for that lease facilities.

17 But as we were talking about here, is that
18 where we are using our own facilities to get to a
19 new point, that's really -- so our costs are really
20 not like the other CLECs'.

21 MS. DAILEY: Now I'm confused because we
22 talked about the duplicate facilities that you had

1 to lease from Verizon. So you're building your own
2 facilities to point B and you're leasing them
3 temporarily?

4 MR. COLE: No. From our network point,
5 from our own fiber system, network distribution, we
6 would lease from there to the Verizon tandem. That
7 portion would -- is given costs, our network itself
8 to get to that point is different costs. That was
9 the difference in cost that I was trying to --

10 MS. SHETLER: I have one question, which
11 is going back to some of Mr. Albert's earlier
12 testimony, just for clarification. Cavalier, I
13 believe, asked you -- you were discussing what they
14 had, if ever -- Verizon and its predecessors in
15 Virginia had paid to independent telephone companies
16 or any other carriers for network rearrangements,
17 and you said that to your knowledge, not a nickel
18 had been paid to any other carrier for Verizon's
19 network rearrangements.

20 Does that statement include any kind of
21 payments for delays, like you wouldn't pay for them
22 to rearrange the network, but if Verizon, for

1 example, had said things were going -- the cutover
2 was going to start in general and it didn't start
3 until July, or some similar situation, have there
4 ever been any payments for delays to other carriers
5 for their cost to their network due to Verizon's
6 delays?

7 MR. ALBERT: No, there have not. And let
8 me add to that, though, we've got to be real careful
9 with this term "delays." Because what I was saying
10 is, the tandems not only carry some Verizon traffic,
11 but the tandems also carry traffic for other IXC's,
12 for other CLECs and for other wireless. Verizon
13 doesn't delay with moving Verizon's traffic.

14 The way a tandem -- a new tandem is cut
15 into the network is, we always move Verizon's
16 traffic first. We move that internally ourselves,
17 because it's efficient, as well as to get the bugs
18 out of the project. We do that right up front in
19 all new tandems.

20 After that, then there's a period of time
21 where all of the other carriers have to move their
22 traffic. And I think what Cavalier has been

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1 referring to as "delays" are really those periods of
2 time that's required for all of these other carriers
3 to move their traffic.

4 So like as an example, if Cavalier
5 benefits by being able to connect to Comcast, by
6 going through our tandem, if they are unhappy with
7 Comcast not moving their traffic quickly enough,
8 they could alternatively direct -- directly connect
9 to Comcast.

10 So I guess what bothers me a little bit is
11 it seems to me like Verizon is getting labeled as
12 delaying because we are working to accommodate with
13 all these other 50 carriers per tandem, them getting
14 their traffic moved. And if somebody like AT&T has
15 got certain situations so they have got to wait
16 until the very last day, I don't consider that a
17 Verizon delay. I consider us trying to be
18 customer-focused and that we're working with other
19 carriers because they have problems in the timings
20 of getting their traffic moved.

21 The only dilemma that presents to other
22 carriers is if they still want to connect and

1 benefit by connecting to that carrier by going
2 through us, then they need to wait for when that
3 other carrier is going to move their stuff. We
4 don't try and pound the hell out of the people that
5 use our tandems. We try to work with them on their
6 schedules when they can move traffic.

7 MS. SHETLER: What kind of notice is given
8 with regard to the window, and how does it work if
9 carriers let Verizon know -- or what happens, like
10 how does this sequence of carriers moving occur?

11 MR. ALBERT: Two ways. I think in the
12 discovery, there were a variety of industry letters.
13 We've used that process since divestiture, to let
14 carriers know when we're doing things to tandems.

15 So there's a letter that goes out to the
16 industry which goes out to all of the carriers that
17 are connected, be it CLEC, be it independents, be it
18 wireless. And that has the general time frames and
19 dates over which activities will occur.

20 In the process at some point, we will set
21 a final window out in the future, when we expect
22 everybody to have had their traffic moved prior to

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1 that point. But then what we do is, working up
2 towards that window, that like drop-dead date that
3 we ask for, working up to that point, carriers are
4 all moving their traffic at different points in
5 time, and as those get scheduled to occur, we then
6 send further project bulletins out to all the other
7 carriers that are hooked up to the switch, to say
8 okay, on this date at midnight, Sprint will now be
9 moving and receiving -- moving their originating or
10 moving their terminating, whichever the case may be,
11 from tandem A to tandem B.

12 So we'll have a series of letters that
13 will go and spell out specifically when other
14 carriers are moving that works up to the drop-dead
15 date, and we'll have the industry letter, kind of
16 the general one up front, and then we'll have the
17 industry letter that sets the drop-dead date.

18 MS. SHETLER: There's never -- since
19 Verizon schedules this, I just want to make sure I
20 understand, and you do -- once Verizon cuts over
21 their traffic, it is -- that's sort of the start for
22 other carriers to move their traffic? Does Verizon

1 ever delay the beginning of that window? Has there
2 ever been a situation where you say, you're going to
3 be cut over, you know, in October, other carriers
4 can start cutting over November 15, but actually
5 other carriers who were prepared to start cutting
6 over at the beginning couldn't cut over until
7 February?

8 MR. ALBERT: There have been some like
9 that.

10 MS. SHETLER: Okay. And has -- in that
11 kind of situation, if a carrier was up and prepared
12 to be the first mover, has there ever been -- you're
13 saying there's never been a situation where there's
14 been any kind of compensation for other carriers for
15 the fact that when they were ready to go according
16 to Verizon's schedule -- and Verizon wasn't able to
17 move them?

18 MR. ALBERT: No, there has not ever been
19 any payment for that. That's usually because when
20 there has been a change in that upfront date, nobody
21 has done anything yet prior to that. So when we
22 have had a change, like in what we're calling that

1 upfront date, when those have occurred, nobody else
2 has done anything yet to cause a problem for them.

3 MS. SHETLER: Does Cavalier want to
4 respond to any of this or add anything to the
5 description of how this works?

6 MR. LERNER: They haven't indicated. Is
7 the silence --

8 MR. CLIFT: No, I guess the only point
9 that I wanted to clarify, in terms of -- in terms of
10 terminology and definitions and how all this works,
11 is I tried to simplify it really in terms of an
12 interconnection arrangement that we have with
13 Verizon, is that to establish the networks between
14 the two companies, there's paperwork, there's ASRs
15 being submitted, et cetera, et cetera. But in terms
16 of the charges, if our facility -- it really boils
17 down to the facility charge, is the issue here.

18 We've established duplicate trunking
19 between the two facilities, and we've had that
20 duplicate trunking up for an extended period of
21 time, which we thought was unreasonable. But be
22 that as it may, we're really talking in terms of who

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1 is paying what for what, it's the additional
2 facility between the two respective tandems.

3 I'm hearing Mr. D'Amico say under the new
4 agreement, we don't have to pay for that facility
5 and he can move the interconnection point and he's
6 responsible for facility for that move.

7 I guess my only comment is that's the
8 first we've ever heard of that.

9 MR. LERNER: Well, I don't think -- the
10 interconnection point isn't actually moving. The
11 interconnection point, your point as I understood
12 it, is the interconnection point stays where it was
13 and they don't have to change it and you'll just
14 move the traffic on your side of the interconnection
15 point.

16 MR. ALBERT: We'll build the additional
17 transport facilities.

18 MR. LERNER: As necessary, and you might
19 then intermingle that with other traffic of other
20 carriers, or your own traffic.

21 MR. ALBERT: It would be pretty much
22 dedicated to each -- the transport facilities that

1 we would build on our side of the point of
2 interconnection down at the DS3 level and below
3 would be those transport facilities, would be
4 dedicated to a specific carrier.

5 MR. D'AMICO: The term in the contract, I
6 believe, is point of interconnection. I don't
7 believe "interconnection point," as it was
8 previously used, is a term that we now have as a
9 defined term.

10 MS. NATOLI: So the only thing, then, in
11 that situation that Cavalier would have to
12 coordinate, effectively to accommodate the new --
13 oh, it wouldn't even have to do any change in the
14 LERG or the routing or anything like that, right,
15 because it would still go to the original trunk, the
16 original tandem, or you would have to?

17 MR. CLIFT: You have to repoint the
18 traffic.

19 MS. NATOLI: You would. But that is a
20 standard pretty routine thing that CLECs do. I
21 mean, that isn't a cost -- there's no alleged
22 unreasonable cost associated with that, with having

1 to do that?

2 MR. CLIFT: No, we're saying there is a
3 cost associated with rehomining, because you've got
4 your -- you're pointing the traffic to two different
5 places for an extended period of time is really
6 what --

7 MS. NATOLI: No, no, this is the situation
8 where you don't have -- no separate facilities, just
9 they are going to build the trunk group between the
10 two. You still have to do something with your
11 switch, apparently, to make sure the traffic knows
12 that it's going from here to here. That's
13 reprogramming your switch or whatever. But that's
14 not -- that's not one of the costs that's associated
15 with this that you're trying to have recovered in
16 the agreement? Or is it?

17 MR. COLE: During the point -- during the
18 transition or the implementation of the rehome,
19 we're going to have periods of time -- Richmond is a
20 perfect example -- where Verizon built an access
21 tandem and said okay, this is access, now this is
22 local.

1 During that period of time, you've still
2 got to have trunks built to each switch, whether
3 it's in a point of interconnect or if it's direct.

4 MS. NATOLI: You don't mean to each
5 switch; you mean to route the traffic to each
6 switch.

7 MR. COLE: That's correct.

8 MS. NATOLI: You can still have your trunk
9 group to your original point of interconnection
10 tandem, but the traffic that goes over that one
11 trunk group has got -- it's addressed to the new
12 tandem that's being built, and going over the
13 existing trunk groups has got the address to the old
14 tandem. It isn't until you're actually converted
15 over that you can then get rid of your old trunk
16 groups, or keep those -- no, because you've
17 already -- the traffic is going over in the new
18 address.

19 MR. COLE: I have to set up calls to that
20 new switch using the signalling.

21 MS. NATOLI: Okay, I understand now.

22 MR. COLE: Until I have -- no traffic is